

Associated Press

Northern Wis. paper mill gets biorefinery grant

15 July 2008

PARK FALLS, Wis. (AP) - A northern Wisconsin paper mill has won a \$30 million federal grant to help construct and operate a biorefinery to make ethanol and biodiesel from wood products.

Flambeau River Papers received the Energy Department grant to help it produce enough energy to run the 100-year-old mill in Park Falls.

Congressman Dave Obey calls the grant good news in the search for new types of energy and a move away from fossil fuels.

SMART Paper of Hamilton, Ohio, closed the mill two years ago, citing high fuel costs and poor market conditions. It meant the loss of 300 jobs.

A group of mostly local private investors bought the mill in bankruptcy and reopened it.

The new owners say one key to increasing profits is reducing the mill's dependence on natural gas to make steam and establishing the experimental biorefinery.